

**ORDINANCE NO. 20111020-004**

**AN ORDINANCE AMENDING CHAPTER 11-1 OF THE CITY CODE  
RELATING TO THE TAXATION OF TANGIBLE PROPERTY IN TRANSIT.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1.** The Council finds that:

- (A) Texas Tax Code Section 11.253 (*Tangible Personal Property In Transit*) provides for an exemption from ad valorem taxation of tangible personal property in transit unless the governing body of a taxing unit provides that the goods are subject to taxation.
- (B) The 82<sup>nd</sup> Texas Legislature in its First Special Session enacted Senate Bill 1 which amended the Texas Tax Code Section 11.253.
- (C) Texas Tax Code Section 11.253(j-l) as amended allows the governing body of a taxing unit, after conducting a public hearing as required by Section 1-n(d), Article VIII of the Texas Constitution, to provide for the continued taxation of these goods-in-transit if the governing body so votes between October 1, 2011 and December 31, 2011.
- (D) On October 20, 2011, Council conducted the required public hearing to consider whether to subject this property to taxation.
- (E) Council has determined that all legal requirements of notice and hearing have been met. Council therefore finds that it is in the best interest of the City to continue to tax these goods in transit.

**PART 2.** Chapter 11-1 (*Ad Valorem Tax*) of the City Code is amended to recodify Section 11-1-3 to read:

**11-1-3      TAXATION OF TANGIBLE PROPERTY IN TRANSIT.**

- (A) In this section, GOODS-IN-TRANSIT has the meaning assigned by Texas Tax Code Section 11.253 (*Tangible Personal Property In Transit*).
- (B) Goods-in-transit exempt from taxation under Texas Tax Code Section 11.253(b), and not exempt from taxation under other law, are subject to taxation within the City of Austin.

**PART 3.** This ordinance takes effect on October 31, 2011.

**PASSED AND APPROVED**

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October 20\_\_\_\_\_, 2011

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Lee Leffingwell  
Mayor

**APPROVED:** \_\_\_\_\_  
Karen M. Kennard  
City Attorney

**ATTEST:** \_\_\_\_\_  
Shirley A. Gentry  
City Clerk